Chairman Vap called the regularly scheduled meeting to order at 9:08 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published December 7, 2004, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held December 14, 2004, at 9:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Wednesday, December 15, 2004:

- NUSF-26 Commission Hearing Room, Lincoln. Workshop.

 10:00 In the Matter of the Commission, on its own motion, seeking to establish a long-term universal service funding mechanism. Commissioner Landis presiding as Hearing Officer.
- NG-0007 Commission Hearing Room, Lincoln. Planning Conference.

 1:00 In the Matter of the tariff for natural gas service available in the Entire Territory served by Aquila, Inc., d/b/a Aquila Networks Nebraska; proposed tariff revisions filed November 1, 2004, to be effective December 1, 2004. Commissioner Landis presiding as Hearing Officer. The call-in number is 402-472-6899.
- 3:00 Commission Library, Lincoln.

 Nebraska Internet Enhancement Fund Advisory Board meeting.

Monday, December 20, 2004:

- 9:00 Sarpy County Courthouse, Sarpy County Boardroom, 1210 Golden Gate Drive, Papillion. Commissioner Boyle presiding as Hearing Officer.
- P-0008 In the Matter of Aquila, Inc., Omaha, seeking resolution of a dispute under Neb. Rev. Stat. Section 57-1306 Stone-crest/Meridian Park Subdivision.
- P-0009 In the Matter of Aquila, Inc., Omaha, seeking resolution of a dispute under Neb. Rev. Stat. Section 57-1306 Palisades Subdivision.

COMMUNICATIONS DEPARTMENT

- C-3201 In the Matter of Qwest Communications Corporation, Denver, Colorado, seeking authority to operate as a competitive local exchange carrier of telecommunications services within the State of Nebraska, Commissioner Boyle presiding as Hearing Officer: John Burvainis informed the Commission that Qwest had filed a Notice of Supplemental Authority. A Response of Rural Independent Companies to Qwest's Notice of Supplemental Authority was filed. Motion made by Commissioner Anne Boyle, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- C-3213 In the Matter of the Commission, on its own motion, seeking DC-67 an order to cease and desist operations and to revoke the Certificates of Public Convenience and Necessity issued to the named defendants, Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order closing the docket. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- C-3274 In the Matter of Telrite Corporation, Covington, Georgia, seeking authority to operate as a resale carrier of intrastate interexchange telecommunication services within the State of Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- C-3294 In the Matter of Ernest Communication, Inc., Norcross, Georgia, seeking authority to provide facilities-based and Resold Local Exchange Service and Resold Interexchange Service within the State of Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- C-3299 In the Matter of Phonel, Inc., Miami, Florida, seeking authority to operate as a resale carrier of Intrastate InterLATA and IntraLATA Telecommunications Services within the State of Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3301 In the Matter of Southwestern Bell Communications Services, d/b/a SBC Long Distance, Pleasanton, California, seeking authority to change its name to SBC Long Distance, Inc.: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3298 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its Triennial Review Order and USTA II

Decision Amendment to the Interconnection with HunTel CableVision,

Inc., d/b/a HunTel Communications, Blair, previously approved in

Application C-2921: Motion made by Commissioner Lowell Johnson,

seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3300 In the Matter of Alltel Nebraska, Inc., Little Rock,
Arkansas, seeking approval of its Interconnection Agreement
with Sprint Communications Company, L.P., Overland Park, Kansas:
Motion made by Commissioner Lowell Johnson, seconded by Commissioner
Anne Boyle, to enter an order granting the application. Motion passed
with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank
Landis, and Jerry Vap voting AYE.

C-3302 In the Matter of United Telephone Company of the West, d/b/a Sprint, Overland Park, Kansas, seeking approval of its Master Resale Agreement with Global Connection Inc. of America, Atlanta, Georgia: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3277 In the Matter of the Commission, on its own motion, seeking PI-88 comment on the request by United Way of the Midlands to be assigned the use of "211" for Dakota County to gain access to First Call for Help (FCFH), a comprehensive information and referral service, Commissioner Rod Johnson presiding as Hearing Officer: The hearing previously scheduled for December 15, 2004, was continued to January 25, 2005, at 3:00 p.m. in the Commission Library, Lincoln; City Hall, 1615 1st Avenue, South Sioux City; and the Nebraska State Office Building, Room 207, 1313 Farnam Street, Omaha.

Don Gray reported on the results of the Industry Numbering Committee (INC) meeting held on December 7-8, 2004, in Washington, DC.

UNIVERSAL SERVICE FUND

- NUSF-13 In the Matter of Pierce Telephone Company, Incorporated, Pierce, seeking to waive the Nebraska Universal Service Fund (NUSF) requirement to increase its local business rate to \$27.50: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order closing this proceeding. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- NUSF-41 In the Matter of the Commission, on its own motion, seeking to investigate whether to assess the Nebraska Universal Service Fund surcharge on broadband services, Commissioner Frank Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter an order opening the docket and scheduling a public hearing for February 9, 2005 at 10:00 a.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Jeff Pursley reported on Late-Filed Carrier Remittances. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter a complaint against Business Options, Inc. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NUSF-32 In the Matter of the Commission, on its own motion, seeking to conduct an inquiry into the failure of various companies to comply with Commission Orders and, at its own discretion, impose administrative fines against the named defendants: Jeff Pursley reported that Cricket Communications had requested an extension of their 2003 Remittance Audit to February 15, 2005, and Vartec Telecom, Inc. and Excel Communications have requested an extension of their 2003 Remittance Audit to March 31, 2005. Administrative approval was granted for all three extension requests.

E911 DEPARTMENT

911-012 In the Matter of the Commission, on its own motion, seeking an investigation into apparent overpayments made by Fast Phones of Nebraska, Lincoln: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

RULES AND REGULATIONS

Rule and In the Matter of the Commission, on its own motion, seeking Regulation to promulgate Title 291, Chapter 14, Recreational Vehicles #163 Rules and Regulations, previously written under Title 178, Chapter 15, through Health and Human Services and to adopt current plan review and construction standards; create an ad hoc committee; correct technical errors, grammar, punctuation, spelling, sequential numbering and the like; and reprint the chapter in its entirety: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to enter a Certificate of Adoption. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Rule and In the Matter of the Commission, on its own motion, seeking Regulation to promulgate Title 291, Chapter 8, Grain Warehouse and #158 Grain Dealer Rules and Regulations, to adopt rules in accordance with Nebraska Legislative Bill 723 [2003]: The hearing scheduled for January 4, 2005, was continued to a date later to be determined.

NATURAL GAS DEPARTMENT

FC-1319 In the Matter of Kinder Morgan, Inc., Lakewood Colorado, vs. City of Hastings, Hastings, alleging installation of duplicative and redundant natural gas piping and services in the City of Hastings and its environs, Commissioner Rod Johnson presiding as Hearing Officer: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an order scheduling a Status Conference for January 31, 2005, at 2:00 p.m. in the Commission Library, Lincoln. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

The Basics of the Natural Gas Industry, Session II was scheduled for January 10, 2005, at 1:30 p.m. in the Commission Hearing Room, Lincoln.

GRAIN WAREHOUSE DEPARTMENT

John Fecht reported on the following corn shortages:

- GW-14 Laurel Feed & Grain Co., Laurel
- GW-2119 M. G. Waldbaum Company dba Wayne Grain & Feed, Wayne
- GW-2007 In the Matter of John A. Fecht, Director, Warehouse
- GWC-392 Department, Complainant, vs. Vering's Feed Service, Inc., Howells, Defendant: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to enter an Order approving a stipulation and dismissing the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-2141 In the Matter of Continental Casualty Company seeking cancellation of its Continuous Public Grain Warehouse Bond, No. 158656903 in the amount of \$32,700.00, issued on behalf of Pender Grain, Inc., Pender: Bond cancelled effective December 13, 2004.

Grain Dealer Division

GD-2867 In the Matter of Tinsley Grain, Inc., Neligh: A complaint will be filed and a hearing scheduled.

TRANSPORTATION DEPARTMENT

M-14186 In the Matter of Portable Storage of Nebraska, LLC, dba PODS, Omaha, seeking to acquire, through transfer, the authority granted to A-1 Movers of Lincoln, Inc., Lincoln, in Certificate M-13766: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to grant temporary authority. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Rate Division

- BR-300 In the Matter of MAVM Ventures, LLC, dba A & B Shuttle, Omaha, seeking to adjust its rates and charges: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to deny the approval of rates on an emergency basis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.
- BR-298 In the Matter of OMALINK, Inc., Lincoln, seeking to adjust its rates and charges, Commissioner Landis presiding as Hearing Officer: A video hearing was scheduled for January 21, 2005, at 10:00 a.m. in the Commission Library, Lincoln; Nebraska State Office Building, Room 207, 1313 Farnam, Omaha; Hastings Public Library, Second Floor, 517 West 4th Street, Hastings; and, the Von Riesen Library, Room 6 Basement Level, 1205 East 3rd Street, McCook.
- MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-F: The fuel surcharge was decreased to 32 cents per mile and the taxi surcharge retained at 45 cents per trip.

GENERAL ADMINISTRATION

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to approve the following invoices. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

GENERAL ADMINISTRATION (Cont.)

| DAS - Materiel - Office Supplies | \$ 759.58 |
|----------------------------------|--------------|
| DAS - IM Services | 1,427.22 |
| HHS - Finance & Support | 525.94 |
| Adamson Industries Corp. | 619.99 |
| ASAP Software | 530.25 |
| ASAP Software | 852.75 |
| Carmichael Business Systems | 895.00 |
| Hamilton Telecommunications | 70,457.52 |
| Thomson West | 557.20 |
| Voyager | 706.56 |
| Don Gray | 1,438.76 |
| Rod Johnson | 575.52 |

Upon agreement of all Commissioners, authorization was granted for Commissioner Anne Boyle or Don Gray to attend meetings of the North American Numbering Council (NANC) to be held in Washington, DC throughout 2005.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to revise the Commission filing fees.
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to go into closed session to discuss personnel matters. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. The Commission went into closed session at 9:50 a.m.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to return to open session. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. The Commission returned to open session at 10:00 a.m.

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle, to upgrade the employment status of Tyler Frost due to his completion of all requirements for his Masters Degree in Economics. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle, to make an offer for the Legal Research Associate position. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

| Boyle, Lowell Johnson, Rod Johnson, La | andis and Vap present. The next | |
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| regularly scheduled meeting will be he | eld on January 4, 2005, at 10:00 | |
| a.m. with an agenda to be available in | n the office of the Executive | |
| Director at 10:00 a.m. on January 3, | 2005. | |
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| Chairman | Executive Director | |

The meeting adjourned at 10:05 a.m. with Commissioners